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Foreign Language and International Business: The MIBS Program after Ten Years

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ABSTRACT *This paper reviews the progress of the Master in International Business Studies program at the University of South Carolina after ten years. After a brief description of the unique interdisciplinary business-area studies-foreign language curriculum of MIBS, the paper focuses on the role that foreign language components play in the professional development of MIBS students and graduates. Based on a survey of 271 program*

graduates (60% of the alumni), it is shown that approximately 93% of graduates take positions with firms involved in international business. Some 75% find that their initial position has international responsibilities. Some 70.1% of the respondents rated their foreign language ability as very important or important in obtaining their initial position, and 61.6% rated language skills as very important or important in performing their duties.

In 1974 the University of South Carolina began offering a two-year professional business degree, the Master in International Business Studies (MIBS). The MIBS degree requires the development of significant foreign language and area studies competencies in addition to completion of an intensive, internationalized business curriculum. After ten years, the MIBS program has grown to 240 students. To the original German and Spanish language tracks, French and Portuguese were added in 1975, and three-year programs in Arabic and Japanese were initiated in 1982. A foreign national track was added in 1975.

The purpose of this paper is to provide an analysis of the MIBS program experience after ten years. In particular, we explore issues relating to the role that the foreign language components play in the professional development of MIBS students.

The foreign language components of the French, German, Portuguese, and Spanish tracks are essentially similar in structure. Students spend the first summer of the program in intensive language study, averaging five to six hours per day of class time, five days a week, for eleven weeks. While the primary time commitment during the academic year (fall and spring) is to the business program, students meet three times per week for continued language course work. The first half of the second summer is devoted to area studies, although certain students whose language capabilities need additional work are placed in voluntary tutorials with faculty of the Department of Foreign Languages and Literatures. During the second half of the sum-

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mer, students take courses (especially designed for the MIBS program) at an overseas location where their chosen language is spoken. These courses provide the final opportunity to develop language skills needed for the six-month internship phase of MIBS in which students are assigned to companies in overseas locations.

The MIBS program devotes 24 credit hours to the language preparation of its candidates. This heavy investment of resources and student time (36 percent of the program's credit hours) was designed into the curriculum in the belief that MIBS students would (1) be able to secure positions in international business, (2) find their language skills useful in securing these positions, and (3) find language skills useful in performing the duties of their position.

To determine whether the investment in language training has provided the benefits which the program's developers envisioned, a questionnaire was sent to MIBS graduates during the latter half of 1983. The questionnaire requested background information on the graduate, a description of the graduate's post-MIBS employment search, and information regarding the graduate's first position after MIBS. There were 271 responses from the MIBS Classes of 1976-1983 (year of graduation), a response rate of 60 percent.

Are MIBS graduates able to find positions with international content and responsibilities?

Traditionally, it has been assumed that managers must first work domestically and prove themselves before working in an international position. Since the MIBS program produces graduates who have a direct interest in international business, it was important to learn whether their aspirations could be realized in their initial jobs after graduation.

In analyzing the responses to the MIBS questionnaire, we found that most graduates accepted employment with organizations substantially involved in international business. As indicated in Table I (tables appear at the end of the article), over 70 percent described their initial employer as an organization already substantially involved in international business. Less than 7 percent described their initial employer as being exclusively concerned with its home market.

Even more importantly, MIBS graduates are finding initial positions within these corporations which utilize their international skills. We asked graduates to identify the best description of the tasks involved in their initial jobs after MIBS (excluding a training program where applicable). As shown in Table II, nearly 40 percent of respondents

described their initial job after graduation as being truly international. An additional 20 percent noted that their initial job did involve some international work, and another 15 percent worked in a single country environment to which they were not native (e.g. an American working in a purely German environment). Most MIBS graduates are indeed realizing their ambitions to secure an international position at an international firm immediately.

When MIBS graduates were asked to define their initial employers as U.S.-based or non-U.S.-based (defined as the country of incorporation), 82 percent indicated "U.S." and 18 percent "non-U.S." At first glance, this finding might signify that American graduates worked for U.S. companies and that foreign graduates went home to work. However, breaking the respondents into U.S. and non-U.S. categories, such is not the case. A sizable majority of foreign nationals, about 69 percent, went to work for a U.S.-based company. Furthermore, some 53 percent of the non-U.S. graduates claimed to have received a job offer from the U.S. company where they did their MIBS internship, compared to about 31 percent of U.S. graduates receiving job offers from their internship companies.

While most U.S. graduates went to work for U.S.-based companies, not all did. Almost 14 percent replied that their first job was with a non-U.S.-based organization. These respondents came predominantly from the French and German tracks in MIBS, with proportionately fewer Spanish or Portuguese track graduates working for non-U.S. organizations. Clearly, the large European-based multinationals are likely employers for Americans with European languages and working experience in Europe.

Does foreign language capability assist in securing the international placement opportunities afforded MIBS graduates? Once employment has been obtained, to what extent are these language skills useful in performing the task at hand?

From the inception of the MIBS program, working proficiency in at least one foreign language has been envisioned as an integral part of the requirements for a MIBS degree. MIBS graduates bring substantial language skills to the marketplace. Besides classroom training, the overseas internship provides an opportunity to test this proficiency as well as reinforce it. Further, almost 32 percent of U.S. respondents to the questionnaire declared their undergraduate major as being foreign languages.

Although the MIBS program and its graduates

recognize the importance of foreign languages to international managers, their perceived importance by the business community, particularly the U.S. business community, is to a large degree untested. The reputation of American managers belittling the need to know languages other than English has been reinforced by attitude studies in the 1970's. One study which surveyed corporate selectors of expatriate managers reported that these selectors on the whole discounted attributes such as foreign language ability which pertained to a candidate's ability to work and live successfully in a foreign country (2). Another study of both expatriate managers and corporate personnel officers reported that language ability was perceived as a very low determinant factor for success overseas (1).

Therefore, to determine the value employers placed on foreign language ability, MIBS graduates were asked to rate the importance of their foreign language ability in getting their initial position. To determine whether their foreign language ability was immediately useful to their employer, graduates were also asked to rate the importance of their foreign language ability in actual performance of their initial responsibility. Given the usual de-emphasis on foreign languages noted in the business literature, it is most encouraging to note that 70.1 percent of respondents rated their foreign language ability as very important or important in getting their job, with this percentage dropping slightly to 61.6 percent for performing their initial job.

After breaking down the responses by MIBS language tracks, however, we see some significant differences, as tabulated in Tables III and IV. Overall, the English track, composed of the foreign nationals, rated the importance of their English language skills at a higher level than other tracks. Clearly, English is the major language of international business, and the desirability of English for any manager wishing to work in a U.S. multinational is unquestioned.

Differences in responses are also seen among the four language tracks open to U.S. nationals. Respondents from the Portuguese track rate the importance of their language ability in getting their initial job the highest next to the foreign respondents. In fact, the difference between the two cannot be established as being statistically significant. Portuguese may indeed be a language which, due to the laws of supply and demand, is a very attractive one to offer potential employers.

By the same laws of supply and demand, the French track fares poorly compared to the others. This track rates the importance of their foreign

language ability in getting and performing their initial job significantly lower than all other tracks. Reported salary for the first job is also significantly lower for respondents from the French track, approximately 15 percent lower. On the other hand, everything was not bleak for the French track, as nearly 30 percent of these respondents report that they received job offers from their MIBS internship company. This percentage fell short of offers for the German track, but was comparable to the Portuguese track, and significantly better than the Spanish track. Further, when other factors such as age, sex, and previous significant employment are included, other explanations of the relatively lower average salary of French track graduates might be offered. Nonetheless, it is apparent that of the language choices available, French offers the least assistance in obtaining a position.

How does one reconcile the relatively high emphasis given to language skills in the placement experience of MIBS graduates with past findings indicating that language capabilities are of relatively low importance in identifying managers for overseas positions? First, previous studies concentrated on the criteria for selection for overseas assignment, not on selection for initial entry positions in the multinational corporation. It is likely that personnel managers, focusing on the specific technical skill set needed for a position, tend quite rightly to value these skills over language capabilities. If a subsidiary controller is needed for an assignment in Brazil, a Portuguese speaker who does not have substantial experience in controllership would have little opportunity to perform effectively, regardless of his or her skill level in the language. On the other hand, initial employment positions generally include a substantial training component, where technical skills can be added to an underlying base. In such a situation, if the underlying base of business skills is viewed as equivalent by the potential employer, the foreign language skill provides an edge. This could be particularly true for those languages where the general population of MBA's (against whom MIBS students must compete for positions) would not ordinarily acquire capabilities.

Second, studies on identification of the criteria for overseas assignment are generally rather old. We may be seeing the first evidence of a trend toward a greater emphasis on the value of language skills in the employment process.

* * *

While we have initial evidence to support our view that language is an extremely important factor in initial employment selection (always with the provision that business capabilities are present) and

that its importance has grown over the past few years, further empirical research would be necessary to establish the validity of these conclusions. Our evidence provides no support that language skills by themselves are sufficient qualification for entry-level positions in multinationals. Further, we believe that any joint business-language program which does not provide the equivalent of a full professional business program will not generate competitive graduates. Programs such as a language major with business minors do provide excellent *preparation* for graduate professional programs such as MIBS.

After a number of years of successful operation of the five primary language tracks, we decided to explore the feasibility of extending the MIBS concept of coupling language and area studies to professional graduate business education in the areas of Japan and the Middle East. The complexity of both language and culture of these regions necessitated an additional commitment of time on the student's part. On our part, the University decided to utilize several existing language programs at other universities rather than to duplicate them initially at South Carolina.

Students admitted to the MIBS Arabic track are asked to take an intensive summer Arabic program if they have not had prior equivalent Arabic language course work. Most take the intensive program offered by Georgetown and Johns Hopkins in Washington, DC. During the academic year, Arabic track students take the full MIBS business program at South Carolina, with some continuing work in Arabic. The next fifteen months are spent at the American University in Cairo, taking courses in Arabic and Middle East Studies leading either to a Master's degree or Certificate in Middle East Studies. For the next six months, students are placed on internships in the Middle East. The first students are interning with American multinationals, such as Conoco, Chase Manhattan, and American Express International Banking Corporation.

Japanese track students are asked to enroll in the Cornell University FALCON program during the initial summer. After two semesters of the MIBS business curriculum, they return to Cornell for an additional summer of Japanese. The second year is spent at a Japanese university (currently either Keio or Waseda Universities in Tokyo) in further study of Japanese culture and language. An eight-month internship begins in July of the third summer. Students are generally assigned to Japanese companies such as Sony, Hitachi, Toa Nenryo, and New Japan Securities.

In both the Japanese and Arabic tracks, students return to the University of South Carolina for two months of final study. Graduation occurs three years after entry.

Both the substantial expense and their three-year commitment have contributed to rather low enrollments in these programs (12 in Japanese and 6 in Arabic) to date. Internship and placement opportunities from the program appear to be unlimited, and as the demand for well-trained business graduates with Arabic and Japanese competencies grows, we anticipate significant growth to a viable economic size.

When the MIBS program was developed in 1972-74, its founders believed that the development of effective internationally trained business graduates with highly developed language and acculturation skills would meet a positive response in the managerial marketplace. That belief has now been confirmed by a ten-year history of success. Indeed, we see continued growth, greater placement success, and, ultimately, a significant impact on the international economic performance of the United States.

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Table I
Description of Initial MIBS Employer

Best Description of Employer	Percent Response
An organization exclusively concerned with its home market.	6.8%
An organization primarily concerned with its home market although it did some international business.	14.8%
An organization with relatively little international business but committed to increasing its international involvement.	7.2%
An organization already substantially involved in international business.	71.2%

Table II
Tasks Involved with Initial Job

Job Description	Percent Response
The job required that I deal exclusively with my native home market.	24.6%
The job required that I deal primarily with my native home market, but there was some international work involved as well.	20.7%
The job required that I deal primarily or exclusively with a single national market which was not my native home market.	15.0%
The job was truly international, requiring that I work extensively with more than one national market.	39.7%

Table III
**Rating of Importance of Foreign Language Ability
in Getting Initial Job**

	Very Important/ Important	Uncertain	Unimportant/ Very Unimportant
French Track	47.8%	13.1%	39.1%
German Track	64.9%	3.5%	31.6%
Spanish Track	73.0%	2.7%	24.3%
Portuguese Track	76.3%	5.3%	18.4%
English Track	83.9%	9.7%	6.4%

Table IV

**Rating of Importance of Foreign Language Ability
in Performing Initial Job**

	Very Important/ Important	Uncertain	Unimportant/ Very Unimportant
French Track	39.1%	2.2%	58.7%
German Track	53.6%	8.9%	37.5%
Spanish Track	65.8%	5.3%	28.9%
Portuguese Track	62.2%	_____	37.8%
English Track	82.0%	6.5%	11.5%

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